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"SELF-ANOINTED POLITICAL LABOR LEADERS"

By FRANK CHODOROV

JUST before the recent Democratic convention, Vice President Barkley, an aspirant for the higher office, announced his withdrawal from the race with this blast:

> "Since arriving in Chicago I have learned that certain self-anointed political labor leaders have taken on themselves to announce their opposition to me as Democratic nominee for President. They admitted to me that they have committed themselves to a program and candidates other than myself which would give them greater control of the machinery and policies of the Democratic Party."

If Mr. Barkley had said that a group of bankers or corporation presidents had expressed an intent to get control of the party, the news would have rated the largest type in any newspaper's font. That labor leaders had done so was less noteworthy, it seems, than the latest story about "flying saucers". Most editors headlined Mr. Barkley's withdrawal, quoted his reason for so doing and let it go at that.

When any citizen or organized group seeks control of a political party, or tries to designate its nominee, the ultimate purpose is to dominate the government, for the objective of a political party is to become the government. The union leaders who blackballed Mr. Barkley (and presumably threw their support to a candidate more amenable to their wishes) were looking beyond Chicago to Washington.

That is not only obvious, it is in line with our political tradition. Where the choice of a regime is determined by popular vote, it is inevitable that pressure groups will arise to try to influence that choice. The pressure group is a bloc of voters having a common interest and who, in exchange for the candidate's promise to promote legislation favoring that interest, offer him their support at the polls. It is, in effect, an over-the-counter proposition.

The claim that democracy is a by-of-and-for-the-people form of government is a slight exaggeration. It is a government that owes its existence to pressure groups, and is, therefore, under obligation to them. This is true also in other political forms, even autocracy; democracy differs from the other forms in that the regime is accountable to a larger number of pressure groups, whose various claims to privilege can be balanced against one another. In an autocracy there is always the danger that one dominant group can get hold of the army and upset the apple cart.

The State, then, is always and everywhere a management committee looking after the interests of the people who put and keep them there. In the latter party in the nine-

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teenth century, and the early part of this century (when men like Mark Hanna, Boies Penrose and Tom Platt ran party conventions), the business of the American government was to favor railroad magnates, protectionists, bankers and all who are blanketed by the term "capitalist". This was generally considered reprehensible, and the literary folk called "muckrakers" reaped a harvest from their disclosure and denunciation of the practice.

The new pressure group, the union labor bloc, came on the scene less than twenty years ago, and though it operates exactly like any other pressure group it avoids the opprobrium attached to other groups by pretending to represent the "underdog". Those newspapers which are dominated by this pressure group did not dare to underline Mr. Barkley's blast.

SINCE pressure groups are unavoidable, the best we can do is to compare the social consequences of government management by privileged capitalists (the muckrakers dubbed them "robber barons") and government management by privileged labor union leaders. Is man's search for a better or fuller life, in organized society, favored more by the one than the other political deal?

The purpose of the capitalists in seeking privileges from government is always to fatten their profits. An exclusive franchise or a protective tariff is desirable because it enables the holder to get a higher return on his investment of capital than if he had to put it into competitive business. But, in order to cash in on this government-supported advantage, he must exploit it. A right-of-way will not produce any profit until a railroad is put on it. To pocket a mail subsidy a ship must be built and operated. A tariff on foreign wool puts no cash in the till unless the manufacturer makes and sells yards of domestic wool. The privilege is profitable only when it is exploited.

The heyday of capitalistic control of government was the post-Civil War period. During those days it was the primary, though unadvertised, business of government to feather the nests of influential entrepreneurs with special privileges. Yet, that was also a period of great industrial and commercial expansion, perhaps the greatest in history, anywhere in the world.

Whatever we might say, on moral grounds, about the collusion between dishonest politicians and the capitalistic buccaneers, the fact is that out of it came railroads, towns, mines, steamships — a great abundance of those things by which men live and improve their circumstances. Despite their calculated thievery, the "robber barons" left us an industrial empire, from which even the union leaders profit. They also left, in passing, a pattern of corruption for the guidance of these union leaders.

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WELL, then, what can the union leaders show us in return for the special privileges they wangle from government? What social good can they come up with? In the first place, the legislation they try to effect has nothing to do with production; they are not in that business. What they ask of government — what they hope to accomplish by control of government — is the legal right to exercise and extend the power of compulsion for which the unions are organized.

The assumption of unionism is that employers withhold from employees some of the wages to which they, the employees, are entitled. The only way to correct this inequity is to apply force to the employers. The more force the higher the wages, and if the union force-instrument — the strike — is ineffective, the government must augment it with some of its police powers.

Thus, among the privileges the union leaders have obtained from government are: (a) the right to compel reluctant workers to support their striking machine; (b) exemption from existing monopoly laws so that they can do what employers may not do — that is, act in restraint of trade. In the first case, they enjoy a lease of police power; in the other, they enjoy an exemption from police power. That is what every privilege the union leaders have obtained or are striving for amounts to.

If the premise of the union leaders, that wages can be raised by force, were true, we might overlook the misuse of government power on the questionable doctrine of the "greatest good to the greatest number". But, the fact is that the capitalist does not pay wages, and therefore a hold-up cannot increase wages. If the capitalist tried to pay wages, out of his capital, he soon would have no capital. What he puts into the pay envelope comes from the consumer of the things produced by the worker, using the capital; the greatest part of the consumers' contribution goes to the worker; the balance goes to keep up or expand the capital structure necessary for production.

Should the union by the use of force compel him to put more dollars into the envelope, he must recoup this expenditure from his customers, in the price of his goods. Since the wage-earner is also a consumer, the ultimate effect of the hold-up technique is to raise his cost of living.

Only in an indirect and perverse way can the forced increase actually raise "real" wages. If the market refuses to accept his goods at the higher prices made necessary by union demands, the capitalist, in order to save his investment and stay in business, will take refuge in invention; he must decrease the unit cost of his product, and the only way he can do that is to increase the production per wage-dollar. Yet, it is a matter of record that unions have tried to prevent this escape from bankruptcy by opposing the introduction of labor-saving devices.

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Every improvement in the condition of wage-earners can be traced directly or indirectly to an increase of production through technological advances, including human skill. For wages are only part of production, and we cannot raise one without raising the other. Union leaders cannot admit this fact, for such an admission would destroy their reason for being. They are committed to the use of force, and when the force they have at their disposal does not bring about the promised result, their only recourse is more force, for which they must apply to the government.

In an effort to prevent the employer from recouping higher money wages through prices, the leaders pressure government into setting up price controls. If such controls were effective, which they never are, the industrialist would be driven out of business, and the wage-earner would be unable to pay dues. We must assume that the leaders are aware of this economic fact, and therefore must ascribe their insistence on price controls to an intent to placate their disillusioned members.

Their need for showing results impels them to other police measures; they know little else. So, they pressure government into providing unemployment handouts, old-age pensions, socialized medicine and similar substitutes for the higher wages the other legislation they asked for did not effect. All these gratuities call for increased taxes, which burden their dues-payers. But, by spreading the lie that the "rich" can pay most of the taxes, and by advertising the tax-supported devices as "social advances", the preferred position of the leaders remains unimpaired.

THE NINETEENTH CENTURY "robber baron" sought control of government only for the purpose of enriching himself. Having acquired an exploitable privilege he was done with government. He had no interest in politics *per se;* he could do better for himself in productive enterprise. And he certainly looked with disfavor on increased taxation, for he was against sharing his income with his lackey, the politician.

The union leader, unlike his predecessor in privilege-hunting, is the product of power and lives by it. He achieves his position by the self-same methods that favor the politically ambitious. By training and inclination he is a politician, not a producer. Every special privilege he wangles out of government calls for the establishment of an enforcement agency — an NLRB, a WSB, an SSA, an OPS — and it suits his temperament to man or manage it. He becomes a quasi official.

The next step is inevitable. Indirect control of political power gives way to ambition, and then we have what is euphemistically called a "labor" government. The promise by which it rides into power is that it will increase wages, "real" wages, but it cannot fulfill that promise any more than the political establishment it replaces, for the simple reason that it cannot effect an increase in production. It is really a government of "self-anointed labor leaders" whose only interest is to stay in power, whose only competence is to wield it.

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HUMAN EVENTS

Volume IX, No. 34 Wednesday, August 20, 1952 Washington, D. C.

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Repeal of the Sixteenth Amendment: Governor J. Bracken Lee of Utah, in an exclusive interview with HUMAN EVENTS, says he is in favor of repeal of the Sixteenth Amendment to the Constitution, which was passed in 1913 to permit Federal taxation of personal and corporate incomes.

"Brack" Lee has won a nation-wide reputation as a governor who ran for office on a program of sound economy, balancing of the budget and reduction of taxes, and who has shown that he meant what he said.

The Governor expressed to us his apprehension for the future of the country if Federal taxation continues. He sees no other alternative for ending the tax-and-tax-spend-and-spend era except by repeal of this amendment to the Constitution. He tells us that he has made a study of this fiscal problem and has for some time felt that such a step is inevitable.

The Governor mentioned that on July 30 he attended a meeting in Salt Lake City addressed by Miss Corrine Griffith, honorary president of the Association for Repeal of the Sixteenth Amendment. The governor introduced the speaker and said her organization could count on his support. The meeting was well attended and drew unusual coverage in the press.

Finally, in his interview with HUMAN EVENTS, "Brack" Lee imparted news which may presage a critical phase in our fiscal history. Knowing that he plays a big role in national and regional conferences of state governors, we asked Lee whether he found that other governors shared his desire to repeal the federal power to tax income. He replied in the affirmative and said he believed that at least 24 other governors favored such a constitutional change.

And he added: "I think that Miss Griffith, after the November elections, could get the active support of Governor W. J. Kohler of Wisconsin." Since that state led the movement a half century ago for passage of the Sixteenth Amendment, it would be significant if its elected political executive took part in a campaign today for its repeal.

Adlai's ADA: The organization known as Americans for Democratic Action this week officially endorsed the Stevenson-Sparkman ticket. This is the group which John T. Flynn, in his book *The Road Ahead*, calls the "spearhead and the central planning and propaganda machine of the National Socialist Economic Planners in this country".

The ADA has moved into the Stevenson campaign organization in a great way. Adlai's own campaign manager, Wilson Wyatt, was chairman of the ADA in 1947 and there is no sign that he has renounced the objectives of this organization, and Professor Arthur Schlesinger is in charge of research under Wyatt. Schlesinger is one of the leading spirits of the ADA. Finally, one of the leaders of this group of crypto-socialists, Robert Nathan, has joined the Stevenson campaign apparatus. Nathan, former New Deal economist, has recently been serving as legal counsel for the CIO. The latter body, the left-wing of the labor federations, has also this week announced its support of Stevenson.

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But is not the ADA an anti-Communist organization? It is non-Communist in a narrow sense. It arose from a split in the CIO-PAC in 1947, with the frankly pro-Communist wing going along with Henry Wallace's Progressive Party, and the "non-Communist liberals" breaking off with their former colleagues to form the ADA. Yet, it can scarcely be termed "anti-Communist".

For instance, the press has not generally recognized the fact that during the past six months the principal crusade of the ADA has been the repeal of the Smith Act of 1940. This piece of legislation is designed to protect the country against those who seek to overthrow the government of the U.S. by force or violence. It has been under the provisions of the Smith Act that Judge Medina and the jury in the famous subversives case in New York convicted 11 Communist leaders; it is the statute for violation of which a number of groups of Communist leaders are now being prosecuted in various cities of the nation. Mr. Francis Biddle, former Attorney General under Roosevelt, and today chairman of the ADA, has spearheaded his organization's drive against the 1940 bill in his book *Fear of Freedom*. For this crusade, the ADA has been complimented in the Daily Worker by Communist leader Elizabeth Gurley Flynn.

Such are the friends, and friends of the friends, of Adlai.

Operation Congress: Throughout the country, a movement is under way to fight the coming election battle primarily in the field of congressional contests. The earnestness of this swelling popular preference —to win in Congress, whatever may be the outcome in the Executive fight—has come forcibly to our attention through numerous letters from readers and subscribers in various parts of the land.

Thus, a businessman in Idaho writes us in a letter which arrived today: "I for one cannot support either [candidate for President], but like a lot of other Republicans I am going to vote on the congressional level. The comment here is 'we can still head off this bunch in Congress'." A New York City lieutenant of police, a reader of HUMAN EVENTS, tells us that the talk among his fellow policemen follows a consistent pattern: there's no difference between Eisenhower and Stevenson, no chance for a real choice in November. They wonder helplessly what they can do.

We can report that groups in New York, Maryland, Connecticut, Illinois and Nebraska are exploring ways and means of organizing and giving support to candidates for the Senate and House. One such group has stressed that the two major parties are in agreement on the fatal policy of unlimited international spending and prosecution of an unworkable military strategy of mass armies in Europe. They emphasize that the only force that can stop this dangerous policy is a sound Congress. Candidates, regardless of their party label, who oppose this policy should be supported.

It is also interesting to learn that the fledgling Constitution Party, just announced this week, promises to take a vital interest this year in the congressional elections. Mrs. Suzanne Stevenson, one of the leaders of the party, phoned to tell us that a majority of the people gathered in Chicago in August voted to found the new party. We get the impression that, because of the late date, the new party may not get on the ballot with candidates in many states, but that its interest in congressional contests will be therefore all the more enhanced.

In Washington, interest is focussed on the re-election campaigns of the following GOP Senators: Jenner, Indiana; Kem, Missouri; McCarthy, Wisconsin; Cain, Washington; Ecton, Montana; Watkins, Utah; Williams, Delaware; Martin, Pennsylvania; Malone, Nevada; Langer, North Dakota; Knowland, California; Butler, Nebraska; Bricker, Ohio. In the Michigan Senatorial race, GOP Representative Potter is challenging the incumbent, Democratic Senator Moody. There are two seats at stake in Connecticut (for one of which Vivien Kellems has filed), one in Maryland, one in Wyoming and one in West Virginia (in which former Senator Revercomb, Republican, will challange the incumbent, Democratic left-winger Senator Kilgore).

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Finally, Senator Henry Cabot Lodge's seat is being contested in Massachusetts by Democratic Representative John Kennedy. Many conservative Republicans in the Bay state, discontented with Lodge's New Dealish voting record, are backing Kennedy.

In the House, it is calculated that there are about 25 seats held by conservative Republicans which are in danger, and some 20 New Deal Democratic seats which are classified as "weak". It is believed that help for conservative candidates in House contests will be concentrated mainly on these 45 seats.

But, how will these defenders of liberty be supported? Next week, we shall run an article, "The Keep America Solvent Committee", by Frederic Nelson, in which the road ahead will be charted.

Atomic Plant: The recent announcement that an atomic plant, involving a cost of $1,200,000,000 will be erected just north of Portsmouth, Ohio, has aroused much discussion in this cynical capital.

There is almost unanimous agreement here that the choice of Portsmouth was related to the importance of the state of Ohio in the forthcoming national election. Ohio went for Dewey in 1944, and for Truman by a very small margin in 1948. Specifically, the Democrats want to re-elect the Democratic Governor, Frank Lausche, and especially to defeat GOP Senator John Bricker, now opposed for re-election by Michael di Salle, former OPS administrator and former mayor of Toledo. The state is represented in the electoral college by 25 votes. Intense disappointment, among Republican voters, with the fact that the Republican convention rejected the bid for presidential nomination of Ohio's Sen. Robert Taft has raised Democratic hopes of winning the state for Stevenson. It is, indeed, a critical state in this year's election.

The cynicism of observers here is well sustained, if one can believe stories going the rounds among business firms interested in the plant. It is reported that the Atomic Energy Commission specified certain standards for selection of a site — availability of electric power and water, nearness to coal and to transportation, etc. Two other states were anxious to obtain the plant — West Virginia and Kentucky. The former state offered a site on the Ohio River at Point Pleasant, with ample water supply and proximity to coal mines; Kentucky offered one on the Kentucky River at Ford near to great coal sources. Yet, the Ohio site turned out to be the choice, although the water supply on the Scioto River is not considered sufficient. It was later explained that power would be brought in from elsewhere.

The cynics here point to the above circumstance and say that the other two more suitable locations in Kentucky and West Virginia were rejected for political reasons. The Democratic position in both those states is strong, not only because of strong candidates for Senator and a long record of voting for Democratic presidential nominees, but also because various juicy federal projects (such as the Paducah atom plant in Kentucky), have been given to the deserving voters of those states. Besides, their combined electoral vote is less than that of Ohio.

"Academic Freedom" on TV: Radio listeners are well acquainted with the "objectivity" of union-sponsored news commentators. Television addicts will now get the same kind of education and information. For the "facts" about economics, politics, the Taft-Hartley law, race discrimination, narcotics, public health, housing, national defense and everything else, look-listen to your 20-inch screen. Both CIO and AFL unions have generously budgetted liberal amounts of their untaxed income derived from worker's dues for the edification of America.

That is as it should be. Every American who has views has a right to express them, even as he has a right not to listen to the other fellows' views. It is surprising, however, that those who believe in limited government, the free market, lower taxes and similar subjects are not competing with the union boys for a chance to express themselves. It is possible that the "bloated aristocrats of Wall Street" are broke? Or, have they indeed accepted the ideas that currently pass for truth?

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Report of the Committee on the Judiciary, Eighty-Second Congress, Second Session. Hearings held July 25, 1951 - June 20, 1952, by the International Security Subcommittee. Report No. 2050. United States Government Printing Office. Washington, D. C. Price: 50 cents. Reviewed by Edna Lonigan.

Just before the recent adjournment of Congress, Senator McCarran presented the report and findings of his famous sub-committee on the hearings and evidence which have made so many headlines during the past year. The report runs to 244 pages, including much evidence adduced from previously published volumes of hearings to support such points as, "Effect of the Institute of Pacific Relations on United States public opinion", and including conclusions, recommendations and an index.

The McCarran Committee's verdict on the IPR is that the IPR "has not maintained the character of an objective, scholarly, and research organization". Far from being such an "ivory tower" organization, it was controlled by "members of the small core of officials and staff members" who "were either Communist or pro-Communist". Also, "the American staff of IPR, though fully apprised that the Soviet Council of IPR was in fact an arm of the Soviet Foreign Office, was simultaneously and secretly instructed to preserve the 'fiction' that the Soviet council was independent". The McCarran Committee agreed that a "group of persons operating within and about the Institute of Pacific Relations exerted a substantial influence on United States far eastern policy"; and that the "IPR was a vehicle used by the Communists to orientate American far eastern policies toward Communist objectives".

"The net effect of IPR activities, on United States public opinion", says the Committee report, "has been such as to serve international Communist interests and to affect adversely the interests of the United States." It was their triple skill in penetrating into the American government, squeezing out pro-American officials and covering both activities with a curtain of propaganda which gave the IPR such a sway over our far eastern policy.

The verdict of the Committee Report on certain officials and other figures often mentioned in the news is interesting. Popular interest centers on what it says about Professor Owen Lattimore of the Walter Hines Page School of Johns Hopkins University in Baltimore. The Committee says, in carefully chosen words, "Owen Lattimore was, from some time beginning in the 1930's, a conscious articulate instrument of the Soviet conspiracy". Lattimore still is connected with Johns Hopkins, teaching young men and women, most of whom apparently intend to enter the foreign service of the State Department.

John Carter Vincent, at one time head of the Far Eastern division of the State Department, is mentioned as follows in the Committee Report: "Over a period of years, John Carter Vincent was the principal fulcrum of IPR pressures and influence in the State Department." Vincent still remains an official of our State Department with the rank of Ambassador.

About another official, the report says: "John Paton Davies, Jr., testified falsely before the subcommittee in denying that he recommended the Central Intelligence Agency employ, utilize and rely upon certain individuals having Communist associations and connections." Davies, a veteran career official, was recently sent to Germany to take charge of American political policy in that political minefield.

Senator McCarran deserves full credit for the political skill by which he won a unanimous vote of approval of the Report from the Senate Judiciary Committee, composed of seven Democrats and six Republicans.

It will be difficult to assail such a report sponsored by such able and distinguished men, but it will be assailed. It must be, for its aim is deadly. The question is whether supporters of American freedom will rise to its defense. The best defense, for those who object to Soviet Russia, by indirect means, taking control of our lives, is to read the report and to know the gist of it almost by heart. Such a knowledge of the report — between now and November — may save the lives of many thousands of young men in needless war, may even save our nation from defeat.

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